

**SUPREME COURT OF NOVA SCOTIA
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER of the *Companies' Creditors Arrangement Act*, R.S.C 1985, c. C-36, as amended (the "**CCAA**")

AND IN THE MATTER OF an application by Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited and 4318682 Nova Scotia Limited (collectively, the "**Applicants**") for relief under s. 11 of the CCAA and other relief;

ORDER

(Reallocation of the RBC Debt Repayment; Approval of the Fee Allocation Settlement)

Before the Honourable Associate Chief Justice Jamieson:

The following parties, represented by the following counsel, made submissions:

Party	Counsel
Applicants	O'Keefe & Sullivan Darren D. O'Keefe Essber Essber
AlixPartners Restructuring Inc. (formerly KSV Restructuring Inc.)	Reconstruct LLP Sharon Kour Brendan Bissell

Upon the motion of the Applicants; upon reading the Affidavit of Kevin Alexander Rice sworn _____, 2026 (the "**Rice Affidavit**") and the Exhibits thereto; upon reading the Fourth Report, the Seventh Report, and the Tenth Report of AlixPartners Restructuring Inc. (formerly KSV Restructuring Inc.) (the "**Monitor**"); upon reading the Brief of Law of the Applicants; and upon hearing counsel for the Applicants, counsel for the Monitor, and counsel for such other parties as appeared:

IT IS ORDERED THAT:

Definitions:

1. In this Order:

- (a) **"Applicants"** means Blue Lobster Capital Ltd. (**"BLCL"**), 3284906 Nova Scotia Limited (**"Spirit Co."**), 3343533 Nova Scotia Limited (**"Lost Bell"**), and 4318682 Nova Scotia Limited (**Annapolis Cider"**);
- (b) **"ARIO"** means the Amended and Restated Initial Order granted December 20, 2024;
- (c) **"BLCL Contribution"** means BLCL's contribution of \$300,000 to the CCAA costs of the Operating Companies under the Fee Allocation Settlement dated July 8, 2026, comprising a \$200,000 settlement payment and the Monitor's retention of \$100,000 from BLCL's sale proceeds;
- (d) **"Operating Companies"** means Spirit Co., Lost Bell, and Annapolis Cider, collectively;
- (e) **"Swept Funds"** means the funds applied by Royal Bank of Canada (**"RBC"**) from BLCL's accounts to Spirit Co.'s operating line of credit, being the RBC Debt Repayment of approximately \$378,000 (comprising two pre-filing transfers, only one of which is addressed in the Tenth Report of the Monitor dated August 10, 2026) as more particularly described in the Rice Affidavit; and
- (f) **"CCAA"** means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.

Service:

2. Service of the Notice of Motion and supporting materials on the Service List in the manner and within the time periods set out in the ARIO is hereby abridged and declared good and sufficient.

Reallocation of Swept Funds:

3. The RBC Debt Repayment shall be allocated to BLCL for distribution purposes. The Monitor is hereby directed to reallocate the Swept Funds in the amount of \$378,000 from the proceeds held in respect of the Operating Companies' estates to the BLCL estate.
4. For the avoidance of doubt, the reallocation directed by paragraph 3 of this Order does not affect RBC's rights with respect to its security or any amounts properly applied to RBC's secured indebtedness. RBC has been paid in full from the Operating Company transaction proceeds and holds no further secured claim against any of the Applicants.

Approval of the Fee Allocation Settlement:

5. The Fee Allocation Settlement dated July 8, 2026 between the Monitor and BLCL and Kevin Alexander Rice be and is hereby approved, and the BLCL Contribution is fixed at \$300,000 in accordance with its terms. The Monitor is authorized and directed to distribute the \$200,000 settlement payment held by it in trust in accordance with the Fee Allocation Settlement.
6. The ARIO and all prior orders granted in these proceedings remain in full force and effect except as expressly varied by this Order.
7. The Monitor is hereby authorized to take all steps and do all things reasonably necessary or incidental to give effect to this Order.
8. This Court shall retain jurisdiction to interpret and enforce the provisions of this Order.

